

ORDINANCE 81-33

To Authorize the City of Bloomington to Issue its Economic Development First Mortgage Revenue Bonds, Series 1981, for the Mayhill Homes Corporation Project and to Approve Other Actions in Respect Thereto

WHEREAS, the Bloomington Economic Development Commission has rendered its Project Report for the Mayhill Homes Corporation Project regarding the financing of proposed economic development facilities for Mayhill Homes Corporation and the Bloomington Planning Commission has commented favorably thereon; and

WHEREAS, the Bloomington Economic Development Commission conducted a public hearing on April 1, 1981 and also adopted a resolution on that date, which Resolution has been transmitted hereto, finding that the financing of certain economic development facilities of Mayhill Homes Corporation complies with the purposes and provisions of IC 18-6-4.5 and that such financing will be of benefit to the health and welfare of the City of Bloomington and its citizens; and

WHEREAS, the Bloomington Economic Development Commission has heretofore approved and recommended the adoption of this form of Ordinance by this Common Council and has approved the forms of and has transmitted for approval by the Common Council the Loan Agreement, Note, and Mortgage and Indenture of Trust;

NOW, THEREFORE, BE IT HEREBY ORDAINED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

SECTION I. It is hereby found that the financing of the economic development facilities referred to in the Loan Agreement approved by the Bloomington Economic Development Commission and presented to this Common Council, the issuance and sale of revenue bonds, the loan of the proceeds of the revenue bonds to Mayhill Homes Corporation for the acquisition and construction of such facilities and the equipping thereof, the payment of the revenue bonds by the note payments of Mayhill Homes Corporation under the Loan Agreement and Note, and the securing of said bonds by the mortgaging of such facilities to the Trustee under the Mortgage and Indenture of Trust complies with the purposes and provisions of IC 18-6-4.5 and will be of benefit to the health and welfare of the City of Bloomington and its citizens.

SECTION II. The final forms of the Loan Agreement, Note, and Mortgage and Indenture of Trust approved by the Bloomington Economic Development Commission are hereby approved and all such documents (herein collectively referred to as the "Financing Agreement" referred to in IC 18-6-4.5), shall be incorporated herein by reference and shall be inserted in the minutes of the Common Council and kept on file by the Clerk.

SECTION III. The City of Bloomington shall issue its Economic Development First Mortgage Revenue Bonds, Series 1981 (Mayhill Homes Corporation Project), in the total principal amount of One Million Five Hundred Thousand Dollars (\$1,500,000) for the purpose of procuring funds to pay the costs of acquisition, construction and equipping of the economic development facilities as more particularly set out in the Mortgage and Indenture of Trust and Loan Agreement incorporated herein by reference, which bonds will be payable as to principal, premium, if any, and interest from the note payments made by Mayhill Homes Corporation under the Loan Agreement and Note or as otherwise provided in the above described Mortgage and Indenture of Trust. The Bonds shall never constitute a general obligation of, an indebtedness of, or a charge against the general credit of the City of Bloomington.

SECTION IV. The Mayor and Clerk are authorized and directed to sell such bonds to the purchasers thereof at a rate of interest on the bonds not to exceed seventy percent (70%) of the prime commercial lending rate established by the First National Bank of Atlanta at its principal office from time to time, each change in such established rate to be effective on the date such change is established, until said principal sum is paid except that in the event of a determination of taxability interest to be paid per annum will escalate to a taxable rate of interest equal to the prime commercial lending rate established by the First National Bank of Atlanta

at its principal office from time to time, plus three percent (3%) per annum, each change in such established rate to be effective on the date such change is established, and at a price not less than 100% of the principal amount thereof.

SECTION V. The Mayor and Clerk are authorized and directed to execute the documents constituting the Financing Agreement approved herein on behalf of the City and any other document which may be necessary or desirable to consummate the transaction, including the bonds authorized herein. The signatures of the Mayor and Clerk on the bonds may be facsimile signatures. The Clerk is authorized to arrange for delivery of such Bonds to the Trustee named in the Mortgage and Indenture of Trust, payment for which will be made to the Trustee named in the Mortgage and Indenture of Trust and delivered by the Trustee to the purchasers thereof.


SECTION VI. The provisions of this Ordinance and the Mortgage and Indenture of Trust securing the bonds shall constitute a contract binding between the City of Bloomington and the holder of the Economic Development First Mortgage Revenue Bonds, Series 1981 (Mayhill Homes Corporation Project), and after the issuance of said bonds, this Ordinance shall not be repealed or amended in any respect which would adversely affect the rights of such holders so long as any of said bonds or the interest thereon remains unpaid.

SECTION VII. This ordinance shall be in full force and effect from and after its passage by the Common Council and approval by the Mayor.

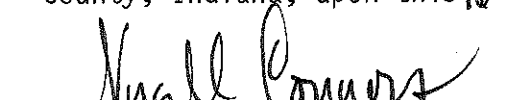
PASSED and ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 15th day of April, 1981.


Alfred I. Towell, President
Bloomington Common Council

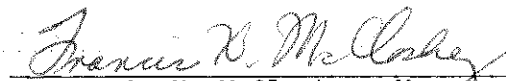
ATTEST:


Nora M. Connors, City Clerk

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this 16th day of April, 1981.


Nora M. Connors, City Clerk

SIGNED and APPROVED by me upon this 16th day of April, 1981.


Francis X. McCloskey, Mayor
City of Bloomington

SYNOPSIS

This ordinance would authorize the City of Bloomington to issue its economic development revenue bonds to the Mayhill Homes Corporation in the amount of \$1,500,000 to build their pre-fab home construction facility on Vernal Pike. The city has no liability for these bonds if approved.